

COMMERCIAL SPACE WORKING GROUP

U.S. COMMERCIAL SPACE POLICY INITIATIVES

The Commercial Space Working Group has been asked to identify initiatives that should be included in the U.S. Commercial Space Policy. These initiatives are listed below in near-term and long-term categories. The near-term initiatives are consistent with existing policy and seek to encourage private sector investment in space activities. The long-term initiatives seek to extend the free enterprise system into space commerce. Underlying these objectives is the need for a stable and consistent Commercial Space Policy that clearly defines the role of Government relative to the Commercial sector.

Over the past 30 years, there have been 36 major changes in five areas of National Space Policy affecting commercial ventures. A stable and consistent Government policy is essential to encourage private sector investment in space activities.

I. NEAR TERM INITIATIVES:

The following initiatives concerning: A) the Model Range Use Agreement; B) management of U.S. Government launch service requirements; and C) private sector remote sensing operations; are intended to encourage private sector investment in space activities.

A. Modifications to Model Range Use Agreement:

The Model Range Use Agreement is an interim arrangement that provides for private sector access to U.S. Government launch facilities and allocation of risk associated with the use of those facilities. The long term objective is to encourage development of privately owned and operated ranges and launch facilities.

Conditions on Preemption: The U.S. Government should not preempt commercial launches on U.S. Government ranges except in a national emergency.

Cap on Third Party Liability: Legislation should be enacted that caps third party liability exposure for private sector launch service providers, their sub-contractors and customers.

U.S. Government Liability: The U.S. Government should accept liability for its own negligence on Government ranges.

B. Management of U.S. Government Launch Service Requirements:

Interagency Oversight Mechanism for Payload Management: The U.S. Government should establish an inter-agency group for government payload management. Membership and functions should be as follows:

- o Membership: This group should be chaired by OMB, and should include representatives of NASA, DOD, DOT and Commerce.

- o Functions: The group should have three main functions:

First, it should identify all non-critical military, civil/science and shuttle unique payloads as well as other payloads (such as "Getaway Specials" and "Hitchhikers" manifested on the shuttle) that can utilize commercial launch services.

Second, it should establish procedures for open and competitive bidding for launching these payloads by commercial launch service providers.

Third, the group should have input into the shuttle manifest, to ensure a proper balance among civil/science, foreign policy and national security payloads requiring the unique capabilities of the shuttle.

C. Remote Sensing Policies

Five Meter Resolution: The U.S. Government should unconditionally allow up to five meter resolution on U.S. remote sensing satellites

II. LONG TERM INITIATIVES:

The following initiatives seek to permanently establish the free enterprise system in space.

Transfer of Excess Launch Facilities: Excess launch facilities should be transferred to the Department of Transportation consistent with the Commercial Space Launch Act of 1984, for sale or lease through auction or lottery to private launch service providers.

Loan Guarantees For High Risk Ventures: The Government should provide loan guarantees for high-risk commercial ventures in space. Such guarantees currently are necessary in order to overcome industry's uncertainty over the U.S. Government's commitment to a long-term, stable commercial space policy.

Science and Technology Center: The U.S. Government should promote the establishment of a privately owned and operated Science and Technology Center, consistent with the authority granted under the National Cooperative Research Act of 1984, the Technology Transfer Act of 1986 and Executive Order 12591.

Renegotiate International Liability Convention: The Convention on International Liability For Damage Caused By Space Objects of November 29, 1971 should be renegotiated to establish internationally acceptable limits on third party liability.

Private Sector Moon Base: The President should call for a submission by the private sector by September 1, 1988, of a feasibility study for a manned Moon base, developed, owned and operated by the private sector, to be established by the year 2000.

III. STABLE AND CONSISTENT GOVERNMENT POLICY:

The following basic policy initiatives clearly define the role of Government relative to the Commercial sector. They are essential to meeting both near and long-term objectives.

Government Research and Development: The U.S. Government should conduct fundamental and advanced research and development, but once the technology is developed and demonstrated by an operational prototype, that technology should be transferred to the private sector with adequate protection of its proprietary value.

Procurement Reform: The U.S. Government should procure commercially available goods and services, including launch services, remote sensing data, space platforms and other space related facilities, whenever possible.

Competition With Private Sector: The U.S. Government should make a firm commitment not to compete with the private sector.

Elimination of Legal and Regulatory Impediments: The U.S. Government should eliminate laws and regulations that impede private sector investment in space activities.

Encourage Free Trade Internationally: The U.S. Government should take the steps necessary to ensure free trade in commercial space activities internationally.